

CUP-E24-0002/H2O - Beer Production Facility (Formerly Approved as H2O Alaro Microbrewery) – As approved by the Zoning Administrator on February 5, 2025

Findings

1.0 CEQA FINDINGS

- 1.1 Conditional Use Permit Time Extension CUP-E24-0002 has been found Categorically Exempt pursuant to Section 15301, Existing Facilities, of the California Environmental Quality Act (CEQA) Guidelines. The proposed use will result in negligible expansion of the existing structure and require minor interior alterations to portions of the existing structure to accommodate the proposed use.
- 1.2 The documents and other materials which constitute the record of proceedings upon which this decision is based are in the custody of the Planning and Building Department, Planning Division, at 2850 Fairlane Court, Placerville, CA, 95667.

2.0 CONDITIONAL USE PERMIT TIME EXTENSION FINDINGS

- 2.1 **The request for a time extension to the approved Conditional Use Permit complies with County Zoning Ordinance Section 130.54.060.B.**

Section 130.54.060.B. allows a time limit extension for a permit or authorization if written request for an extension of time is filed with the department at least 30 days before the expiration date of the permit or authorization, together with the required filing fee. A permit or authorization may be extended for a total of 36 months beyond the expiration of the original decision granting approval. Action on a request for extension of a permit shall be referred to the original review authority. The time limit for exercising a permit or authorization may be extended if the original review authority finds that 1) No change in conditions or circumstances has occurred that would have been grounds for denying the original application; and 2) The applicant has been diligently pursuing implementation of the permit.

Rationale: The Planning Division has reviewed Conditional Use Permit Time Extension CUP-E24-0002 for approved Conditional Use Permit CUP22-0004, along with all submitted materials, and has submitted this Staff Report with recommendations for approval. The request for a 36-month time extension to the Conditional Use Permit CUP22-0004 was received on November 5, 2024, over 30 days prior to the initial December 7, 2024, expiration date. The applicant does not propose change conditions or circumstances. A letter was submitted by the applicant stating that unforeseen circumstances prohibited substantial progress due to the active probate process of the CEO of H2O LLC (Exhibit F). The applicant anticipates the court will formally close the estate to allow substantial progress to approved Conditional Use Permit CUP22-0004 prior to the new expiration date of December 2, 2027, if the extension is approved.

Conditions of Approval

1. This Conditional Use Permit (CUP) is based upon and limited to compliance with the project description, Conditions of Approval set forth below, and the hearing exhibits marked:

Exhibit ESite Plan

Any deviations from the project description, exhibits, or conditions must be reviewed and approved by the County for conformity with this approval. Deviations may require approved changes to the permit and/or further environmental review. Deviations without the above-described approval would constitute a violation of permit approval.

The project description is as follows:

The proposed project includes operation of a microbrewery, located at 5000 Robert J Mathews Pkwy, CA 95762, with an initial output of 650 beer barrels a year and a maximum of 12,000 beer barrels a year. The microbrewery will provide on-site manufacturing, bottling, and wholesaling of beer. No on-site sales and consumption are allowed.

This project includes minimal expansion of site developments, interior renovations, and sign change out of existing sign. No new landscaping, parking, or exterior lighting are being proposed.

The development, use, and maintenance of the property, the size, shape and the protection and preservation of resources shall conform to the project description above and the hearing exhibits and Conditions of Approval below. The property and any portions thereof shall be sold, leased, or financed in compliance with this project description and the approved hearing exhibits and Conditions of Approval hereto.

Planning Division

2. **Permit Implementation:** In compliance with County Code Section 130.54.060 (Time Limits, Extensions, and Permit Expiration), implementation of the project must occur within 24 months of approval of this CUP or the permit becomes null and void. It is the responsibility of the applicant to monitor the time limit and make diligent progress toward implementation of the project and compliance with conditions of approval.
3. **Notice of Exemption (NOE) Recording Fee:** The applicant shall submit to the Planning Services Division a \$50.00 recording fee for the County Recorder to file the Notice of Exemption. Checks shall be payable to El Dorado County. No permits shall be issued until said fees are paid.
4. **Indemnity:** In the event of any legal action instituted by a third party challenging the validity of any provision of this approval, the developer and landowner agree to be

responsible for the costs of defending such suit and shall hold County harmless from any legal fees or costs County may incur as a result of such action.

The developer and landowner shall defend, indemnify, and hold harmless El Dorado County and its agents, officers, and employees from any claim, action, or proceeding against El Dorado County or its agents, officers, or employees to attack, set aside, void, or annul an approval of El Dorado County concerning a Conditional Use Permit.

The County shall notify the applicant of any claim, action, or proceeding, and the County shall cooperate fully in the defense.

5. **Change in Ownership:** In the event of any change of ownership of the subject parcel (APN: 117-085-013) or any change in primary or accessory use, it is the responsibility of the future property owners to ensure all changes are consistent with this CUP, the El Dorado County General Plan, Zoning Ordinance, and all applicable standards in place at such time.
6. **Business License:** Prior to operation of the microbrewery, a business license must be acquired. This will require coordination with and review by the County's Tax Collector's Department.

Air Quality Management District

7. **New Point or Stationary Source:** Prior to construction/installation of any new point/stationary source emissions units (e.g., emergency standby engine greater than 50 HP, boilers/water heaters aggregating to a total input capacity of > 1 MMBH etc.), Authority to Construct applications (AC) shall be submitted to the EDCAQMD. Submittal of applications shall include facility diagram(s), equipment specifications and emissions estimates, and shall adhere to AQMD Rules 501, General Permit Requirements and 523, New Source Review. AC application can be found at EDCAQMD webpage below: https://www.edcgov.us/Government/AirQualityManagement/Pages/authority_to_construct_permits.aspx
8. **Fugitive Dust:** As we understand the project, there will be no grading or construction necessary. Please be advised that a Fugitive Dust Mitigation Plan (FDP) Application with appropriate fees shall be submitted to and approved by the EDCAQMD prior to start of project construction if during the course of the project a Grading Permit is required from the Building Department, Dust control measures shall comply with the requirements of AQMD Rule 223, Fugitive Dust – General Requirements and Rule 223.1 – Construction, Bulk Material Handling, Blasting, Other Earthmoving Activities and Trackout Prevention.
9. **Paving:** The project construction may involve road development and shall adhere to AQMD Rule 224, Cutback and Emulsified Asphalt Paving Materials.

10. **Painting/Coating:** The project construction may involve the application of architectural coatings which shall adhere to AQMD Rule 215, Architectural Coatings.
11. **Open Burning:** Burning of wastes that result from "Land Development Clearing" must be permitted through the AQMD. Only dry vegetation originating from the property may be disposed of using an open outdoor fire and burning shall adhere to AQMD Rule 300, Open Burning.
12. **Portable Equipment:** All portable combustion engine equipment with a rating of 50 horsepower or greater shall be registered with the California Air Resources Board (CARB). A copy of the current portable equipment registration shall be with said equipment. The applicant shall provide a complete list of heavy-duty diesel-fueled equipment to be used on this project, which includes the make, model, year of equipment, daily hours of operations of each piece of equipment.
13. **Odors:** Odors that may result from manufacturing beer and shall comply with AQMD Rule 205, Nuisance.

Environmental Management- Hazardous Materials

14. If the facility stores hazardous materials in excess of reportable quantities the facility will be required to submit their hazardous materials information into CERS (California Environmental Reporting system) within 30 days of the facility becoming operational.

Environmental Management- Solid Waste

15. Construction and Demolition (C&D) Debris Recycling State Law mandates that a minimum of 65% of the waste materials generated from covered Construction and Demolition projects must be diverted from being landfilled by being recycled or reused on site.